

# Capital Improvement Program

## PROGRAM PURPOSE

In February 2013, the Town Council reaffirmed its Core Values and discussed the status of the 2012-2014 Strategic Goals. The Council provided direction to update the Strategic Goals, which will be presented as part of the public hearing on the budget. One of the affirmed Core Values is to maintain the condition and availability of public facilities, transportation systems, and other public facilities.

In January 2013, the Town Council identified priorities for the allocation of one-time funds for capital projects. The Five-Year Capital Improvement Program (CIP) reflects the Council's priorities for use of these funds, as well as other projects using other funding sources. The first year of the five year plan, FY 2013/14, includes funding for basic infrastructure needs, including new public facilities and parks, street repair and reconstruction, street safety projects, retaining walls, sidewalks, and park projects.

The Town's capital projects are categorized into three program areas as described below:

- ***The Streets Program*** was established to develop a functional street system that is consistent with the General Plan. Objectives include providing safe and efficient traffic flow through intersections while minimizing unnecessary traffic movement and noise through residential neighborhoods, and providing proper street lighting for traffic safety at intersections and public streets. The primary source of financing for this program comes from General Fund savings and Gas Tax Fund revenues. Street projects may also receive funding from federal, state, and local grants.

Within the Streets Program, Storm Drain Fund monies are used for the construction of drainage facilities that occur in conjunction with other street improvements. Storm Drain funding is derived from a Town charge of 75 cents per square foot of impervious surface created by development. Depending on the level of development activity, these fees produce around \$100,000 annually.

The Utility Undergrounding Fund is another funding source utilized in the Streets Program. This fund accrues construction tax revenue of 18 cents charged for each square foot of building addition or alteration within the town. This revenue is used for projects relocating overhead utility lines underground in the effort to improve power reliability, reduce utility maintenance costs, and remove unsightly poles and lines. Utility Underground projects may also be funded by Pacific Gas and Electric Company's (PG&E) Rule 20A funds

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Projects which will eliminate a heavy concentration of overhead electric lines in areas used extensively by the general public are nominated by the Town to PG&E. Approved projects are then funded through the Town's allocation of Rule 20A funds, which are tariffs accumulated by PG&E as a percentage of electric bills. The Town's allocation typically is in the range of \$60,000-\$100,000 annually.

- ***The Public Facilities Program*** includes projects for purchasing, constructing, or making capital repairs to public buildings, structures, and equipment. Town buildings include the Civic Center, Service Center, Tait Avenue and Forbes Mill Museums, and partial service to the Adult Recreation Center and Recreation Center, which is a Town-owned building leased to Los Gatos-Saratoga Community Education and Recreation. There is no designated funding for this program, and any allocations generally come from General Fund prior year savings or grant funds applied to qualified improvements, such as Community Development Block Grant funds for Americans with Disabilities Act (ADA) improvements. The Public Facilities Program also supports a new Library facility, which was completed in early 2012.
- ***The Parks Program*** includes projects for parks, park buildings, urban forestry, and urban beautification. This capital plan also does not have a designated revenue source, and funding is currently dependent on budgeted allocations from General Fund savings, grants, and state park bond funds. Park projects may, on occasion, include community volunteer services for minor construction and clean-up projects. A key project for the year will be construction of the Creekside Sports Park on University Avenue; construction was started in the winter of 2011/12.

### PROGRAM PROCESS

A CIP project includes construction, acquisition, rehabilitation, or non-routine maintenance that generally costs \$25,000 or more with a minimum useful life of 5 years at a fixed location. The CIP attempts to identify all capital maintenance, facilities, and improvements needed within the next five years, with cost estimates based on current year dollars. Estimates for carryover projects are updated as necessary to a recent engineer's estimate based on current design specifications. Equipment, operating, and maintenance costs incurred as an outcome of CIP projects are identified and included in the Operating Budget.

Under direction from the Town Manager's Office, the Parks and Public Works Department led the preparation of project proposals for consideration in the current Capital Improvement Program (reflected in detail in a separate document). In coordination with other Town departments, capital improvement projects and funding sources were reviewed and prioritized to ensure the Town's priorities were addressed and in conjunction with the preparation of the Operating Budget. The proposed CIP Budget is then presented to the Planning Commission for review to ensure that the projects are consistent with the Town's General Plan, and to the Town Council for final approval.

This Operating and Capital Summary Budget document limits the Town's CIP financial information to the first year of the plan, as it relates to the Town's Operating Budget. The full five-year project outlook is available in the separate Capital Improvement Program Budget document.

# **CAPITAL IMPROVEMENT PROGRAM**

## SUMMARY OF CIP REVENUES AND EXPENDITURES

|                                    | 2009/10<br>Actuals  | 2010/11<br>Actuals   | 2011/12<br>Actuals   | 2012/13<br>Adopted   | 2012/13<br>Estimated | 2013/14<br>Adopted  |
|------------------------------------|---------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| <b>REVENUES</b>                    |                     |                      |                      |                      |                      |                     |
| <i>Other Taxes</i>                 | \$ 19,586           | \$ 31,989            | \$ 44,387            | \$ 15,000            | \$ 35,000            | \$ 15,000           |
| <i>Carryforward</i>                | -                   | -                    | -                    | -                    | -                    | -                   |
| <i>Intergovernmental</i>           | 3,154,121           | 2,281,630            | 856,576              | 3,041,610            | 2,146,130            | 1,469,159           |
| <i>Town Services</i>               | -                   | -                    | 44,450               | -                    | -                    | -                   |
| <i>Licenses &amp; Permits</i>      | 272,862             | 525,211              | 625,211              | 274,000              | 471,655              | 277,000             |
| <i>Interest</i>                    | 68,430              | 46,933               | 40,257               | 49,060               | 29,400               | 41,120              |
| <i>Other Revenues</i>              | 16,575,266          | 292,770              | 1,399,943            | 2,124,474            | 1,218,223            | 918,000             |
| <b>TOTAL REVENUES</b>              | <b>20,090,265</b>   | <b>3,178,533</b>     | <b>3,010,824</b>     | <b>5,504,144</b>     | <b>3,900,408</b>     | <b>2,720,279</b>    |
| Transfers In                       |                     |                      |                      |                      |                      |                     |
| <i>Operating Transfers</i>         | 834,636             | 986,000              | 1,923,428            | 4,219,207            | 2,076,878            | 2,953,746           |
| Total Transfers In                 | <b>834,636</b>      | <b>986,000</b>       | <b>1,923,428</b>     | <b>4,219,207</b>     | <b>2,076,878</b>     | <b>2,953,746</b>    |
| Total Revenues & Transfers In      | <b>\$20,924,901</b> | <b>\$ 4,164,533</b>  | <b>\$ 4,934,252</b>  | <b>\$ 9,723,351</b>  | <b>\$ 5,977,286</b>  | <b>\$ 5,674,025</b> |
| <b>EXPENDITURES</b>                |                     |                      |                      |                      |                      |                     |
| <i>Salaries and Benefits</i>       | \$ 103,210          | \$ 149,427           | \$ 241,129           | \$ -                 | \$ -                 | \$ -                |
| <i>Operating Expenditures</i>      | 40,186              | 2,330                | -                    | -                    | -                    | -                   |
| <i>Charges for Services</i>        | 2,667               | -                    | 3,806                | -                    | -                    | -                   |
| <i>Interest Expense</i>            | 309,158             | 20,500               | -                    | -                    | -                    | -                   |
| <i>Capital Projects - Carryfwd</i> | -                   | -                    | -                    | -                    | -                    | -                   |
| <i>Capital Projects - New</i>      | 7,390,909           | 14,870,969           | 10,684,557           | 19,276,672           | 6,646,988            | 5,520,869           |
| <b>TOTAL EXPENDITURES</b>          | <b>7,846,130</b>    | <b>15,043,226</b>    | <b>10,929,492</b>    | <b>19,276,672</b>    | <b>6,646,988</b>     | <b>5,520,869</b>    |
| Transfers Out                      |                     |                      |                      |                      |                      |                     |
| <i>Operating Transfers</i>         | 250,395             | 238,835              | 319,779              | 218,000              | 218,000              | 218,000             |
| Total Transfers Out                | <b>250,395</b>      | <b>238,835</b>       | <b>319,779</b>       | <b>218,000</b>       | <b>218,000</b>       | <b>218,000</b>      |
| Total Expenditures & Transfers Out | <b>\$ 8,096,525</b> | <b>\$ 15,282,061</b> | <b>\$ 11,249,271</b> | <b>\$ 19,494,672</b> | <b>\$ 6,864,988</b>  | <b>\$ 5,738,869</b> |

## ∞ CAPITAL IMPROVEMENT PROGRAM ∞

The following schedule summarizes the Capital Improvement projects completed or withdrawn in FY 2012/13:

### COMPLETED OR WITHDRAWN CIP PROJECTS FY 2012/13

|   | Est Exp<br>Prior To<br>FY 2012/13 | Expenditures<br>During<br>FY 2012/13 | Estimated<br>Carryforward | New<br>Funding<br>FY 2013/14 | Total<br>Budgeted    |
|---|-----------------------------------|--------------------------------------|---------------------------|------------------------------|----------------------|
| <i><b>GFAR Projects</b></i>                             |                                   |                                      |                           |                              |                      |
| Univ Ave Resurfacing (Shelbourne to Vasona)             | 22,470                            | 81,546                               | -                         | -                            | 104,016              |
| University Avenue Sidewalk / Creekside Sports Park      | 7,520                             | 48,001                               | -                         | -                            | 55,521               |
| Northside Parking Lot Improvements                      | -                                 | 74,516                               | -                         | -                            | 74,516               |
| Pageant Grounds Phase 3 Improvements                    | 530,750                           | 482,064                              | -                         | -                            | 1,012,814            |
| Los Gatos Creekside Sports Park                         | 1,386,407                         | 1,391,788                            | -                         | -                            | 2,778,195            |
| Turf Conversion & Water Conservation                    | -                                 | 33,000                               | -                         | -                            | 33,000               |
| Live Oak Manor Park Upgrades                            | 316                               | 41,895                               | -                         | -                            | 42,211               |
| Library Facility  | 17,796,794                        | 16,098                               | -                         | -                            | 17,812,892           |
| Plaza Bus Shelter                                       | 2,210                             | 5,820                                | -                         | -                            | 8,030                |
| DT Tree Light Replacement                               | -                                 | 97,500                               | -                         | -                            | 97,500               |
| <i><b>Traffic Mitigation Projects</b></i>               |                                   |                                      |                           |                              |                      |
| Wedgewood Ave Improvements                              | 674,131                           | 352,711                              | -                         | -                            | 1,026,842            |
| Blossom Hill Road Improvements                          | 599,703                           | 707,870                              | -                         | -                            | 1,307,572            |
| Shannon Road Annexation                                 | -                                 | 3,834                                | -                         | -                            | 3,834                |
| <i><b>Grants and Awards Projects</b></i>                |                                   |                                      |                           |                              |                      |
| Univ Ave Resurfacing (Shelbourne to Vasona)             | -                                 | 500,000                              | -                         | -                            | 500,000              |
| University Avenue Sidewalk / Creekside Sports Park      | -                                 | 60,150                               | -                         | -                            | 60,150               |
| Howe's Playlot Pathway Upgrade                          | -                                 | 34,535                               | -                         | -                            | 34,535               |
| Live Oak Manor Park Upgrades                            | -                                 | 109,120                              | -                         | -                            | 109,120              |
| Energy Efficient Lighting Project                       | 144,108                           | 18,603                               | -                         | -                            | 162,712              |
| <i><b>Storm Drain Projects</b></i>                      |                                   |                                      |                           |                              |                      |
| Hicks & Philips Culvert Improvements                    | 440                               | 241,845                              | -                         | -                            | 242,286              |
| <i><b>Underground Utility Projects</b></i>              |                                   |                                      |                           |                              |                      |
| <i><b>Total of Completed and Withdrawn Projects</b></i> | <b>\$ 21,164,849</b>              | <b>\$ 4,300,897</b>                  | <b>\$ -</b>               | <b>\$ -</b>                  | <b>\$ 25,465,746</b> |

## CAPITAL IMPROVEMENT PROGRAM

The following schedule summarizes the Capital Improvement projects continuing into FY 2013/14. Continuing projects are defined further in following fund sections.

### CARRYFORWARD CIP PROJECTS FY 2013/14

|   | Est Exp<br>Prior To<br>FY 2012/13 | Expenditures<br>During<br>FY 2012/13 | Estimated<br>Carryforward | New<br>Funding<br>FY 2013/14 | Total<br>Budgeted    |
|---|-----------------------------------|--------------------------------------|---------------------------|------------------------------|----------------------|
| <b><i>GFAR Carryforward Projects</i></b>                |                                   |                                      |                           |                              |                      |
| Street Repair & Resurfacing                             | 2,060,938                         | 1,273,287                            | 267,098                   | 525,000                      | 4,126,323            |
| Almond Grove Street Rehabilitation Project              | -                                 | -                                    | -                         | 500,000                      | 500,000              |
| Pavement Rehabilitation - Crack Seal                    | -                                 | 166,593                              | -                         | 160,000                      | 326,593              |
| Traffic Calming Projects                                | 97,973                            | -                                    | 27,027                    | 10,000                       | 135,000              |
| Curb, Gutter & Sidewalk Maintenance                     | 799,165                           | 155,731                              | 294,433                   | 250,000                      | 1,499,329            |
| Retaining Wall Repairs                                  | 378,757                           | 25,189                               | 763,527                   | 100,000                      | 1,267,473            |
| Annual Street Restriping                                | 119,122                           | -                                    | 30,878                    | 25,000                       | 175,000              |
| Guardrail Replacement Projects                          | -                                 | -                                    | 40,000                    | 190,000                      | 230,000              |
| 224 W. Main Street Property Acquisition (Parking Lot 6) | -                                 | -                                    | 1,200,000                 | -                            | 1,200,000            |
| Quito Road - Bridge Replacement                         | 32,038                            | -                                    | 123,730                   | -                            | 155,768              |
| Town Beautification Projects                            | 87,593                            | -                                    | 10,160                    | -                            | 97,753               |
| Old Library Re-use Project                              | -                                 | -                                    | 100,000                   | 400,000                      | 500,000              |
| HVAC Upgrades - Old Library                             | 179,505                           | -                                    | 200,000                   | -                            | 379,505              |
| Information System Upgrade                              | 391,831                           | -                                    | 83,169                    | -                            | 475,000              |
| Town-Wide Document Imaging Project                      | 193,225                           | -                                    | 21,775                    | -                            | 215,000              |
| Audio / Video System Upgrade                            | 52,440                            | 4,657                                | 53,503                    | -                            | 110,600              |
| Tiburon CAD / RMS Upgrade                               | 7,000                             | 21,000                               | 42,000                    | -                            | 70,000               |
| <b><i>Traffic Mitigation Carryforward Projects</i></b>  |                                   |                                      |                           |                              |                      |
| Hwy 9/University Intersection                           | 21,888                            | 3,868                                | 243,244                   | -                            | 269,000              |
| Winchester Blvd. / Knowles Intersection                 | -                                 | 42,450                               | 487,550                   | -                            | 530,000              |
| Winchester Blvd. / Lark Ave. Intersection               | -                                 | 40,000                               | 10,000                    | 800,000                      | 850,000              |
| <b><i>Grants and Awards Carryforward Projects</i></b>   |                                   |                                      |                           |                              |                      |
| Hwy 9/University Intersection                           | 6,556                             | 4,317                                | 889,127                   | -                            | 900,000              |
| <b><i>Storm Drain Carryforward Projects</i></b>         |                                   |                                      |                           |                              |                      |
| <b><i>Gas Tax Carryforward Projects</i></b>             |                                   |                                      |                           |                              |                      |
| Street Repair & Resurfacing                             | 3,343,145                         | 650,000                              | -                         | 935,000                      | 4,928,145            |
| <b><i>Total of Carryforward Projects</i></b>            | <b>\$ 7,964,402</b>               | <b>\$ 2,387,093</b>                  | <b>\$ 4,908,995</b>       | <b>\$3,895,000</b>           | <b>\$ 19,155,490</b> |

## ∞ CAPITAL IMPROVEMENT PROGRAM ∞

The following schedule summarizes the new Capital Improvement projects for FY 2013/14. New projects are defined further in following fund sections.

### NEW CIP PROJECTS FY 2013/14

|  | New<br>Funding<br>FY 2013/14 | Total<br>Budgeted |
|--|------------------------------|-------------------|
| <i><b>GFAR Projects</b></i>                        |                              |                   |
| Downtown Parking Lots Seal Coat & Restriping       | 100,000                      | 100,000           |
| Electrical Vehicle Charging Station Infrastructure | 100,000                      | 100,000           |
| Townwide Vehicle Speed Survey                      | 25,000                       | 25,000            |
| Blossom Hill Park Pathway Improvements             | 89,000                       | 89,000            |
| Pedestrian Bridge to Sports Park                   | 50,000                       | 50,000            |
| Open Space Trail Upgrades                          | 250,000                      | 250,000           |
| Tree Trimming - Various Town Parks                 | 100,000                      | 100,000           |
| Parks Restroom Partition Upgrades                  | 55,000                       | 55,000            |
| Parks Playground Fibar Project                     | 25,000                       | 25,000            |
| Parks Reservation System Replacement               | 25,000                       | 25,000            |
| Town Park Lighting Project                         | 150,000                      | 150,000           |
| Civic Center Deck Repairs & Waterproofing          | 60,000                       | 60,000            |
| PPW Administration Building Improvements           | 50,000                       | 50,000            |
| <i><b>Traffic Mitigation Projects</b></i>          |                              |                   |
| Los Gatos Blvd / Shannon Improvements              | 10,000                       | 10,000            |
| <i><b>Grants and Awards Projects</b></i>           |                              |                   |
| Hillside Road Repair & Resurfacing Project         | 139,000                      | 139,000           |
| Blossom Hill Park Pathway Improvements             | 97,869                       | 97,869            |
| Pedestrian Bridge to Sports Park                   | 300,000                      | 300,000           |

# **Capital Improvement Program**

## **GENERAL FUND APPROPRIATED RESERVE FUND 411**

### **FUND PURPOSE**

The General Fund Appropriated Reserve (GFAR) accounts for funds designated for use in the Town's ongoing program for the development of facilities and general infrastructure improvements. This includes basic needs such as street and parking lot repair and resurfacing; repair or replacement of curbs, gutters, and retaining walls; and maintenance of other Town facilities. GFAR also provides for community improvements, such as Town beautification projects and traffic calming, and for foundational aspects of Town government such as technology projects and master planning work.

Revenues which support GFAR projects are derived from General Fund operational savings, from state revenues designated for transportation purposes, from intergovernmental cost sharing agreements on joint projects, and from Road Impact Fees. Designated revenues are accounted for in other CIP funds, and may be used in conjunction with GFAR funds in the development of capital projects.

### **BUDGET OVERVIEW**

A significant source of funding to the Town's capital plan is General Fund operational savings. The recent economic slowdown had impacted the Town's General Fund to the extent that General Fund savings were minimal. As in past years, the Town continues to be challenged by the lack of a reliable revenue stream for capital improvements. Because of the availability of General Fund "one-time" funding sources identified and allocated at the January 2013 Council study session on capital priorities, a General Fund transfer to the GFAR fund is recommended in the amount of \$2.7 million for FY 2013/14. An additional "one-time" source allocation of \$4.8 million is scheduled for FY 2014/15. After these allocations, sufficient balances are anticipated for the remaining three years of the Plan to allocate approximately \$750,000 from the General Fund Reserve for Capital and Special Projects for FY 2015/16 through FY 2017/18.

Other sources are primarily one-time funds from the state or federal government or from special revenue funds that have often fluctuated in tandem with the economy and the state budget.

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**General Fund Appropriated Reserve**

Pursuant to Article III of Chapter 15 of the Town Code, the Town collects road impact fees in support of road construction and maintenance projects throughout the town. Article IX of Chapter 15 authorized the establishment of three special fund accounts known as Road Impact #1, Road Impact #2, and Road Impact #3. Beginning in FY 1998/99, these fees were deposited directly into GFAR for use in the Street Resurfacing Program. Total Road Impact Fees of \$80,000 are budgeted for FY 2013/14, consistent with prior year revenues and projected building trends.

**STATEMENT OF SOURCE AND USE OF FUNDS**

|  | <b>2009/10<br/>Actuals</b> | <b>2010/11<br/>Actuals</b> | <b>2011/12<br/>Actuals</b> | <b>2012/13<br/>Adopted</b> | <b>2012/13<br/>Estimated</b> | <b>2013/14<br/>Adopted</b> |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| <b>SOURCES OF FUNDS</b>                |                            |                            |                            |                            |                              |                            |
| Beginning Fund Balance                 |                            |                            |                            |                            |                              |                            |
| <i>Designated for Parking</i>          | \$ 1,757,000               | \$ 1,460,210               | \$ 1,757,000               | \$ 1,460,210               | \$ 1,460,210                 | \$ 1,460,210               |
| <i>Undesignated</i>                    | 9,528,699                  | 22,440,258                 | 11,544,565                 | 11,226,929                 | 5,751,776                    | 4,164,616                  |
| Total Beginning Fund Balance           | 11,285,699                 | 23,900,468                 | 13,301,565                 | 12,687,139                 | 7,211,986                    | 5,624,826                  |
| Revenues                               |                            |                            |                            |                            |                              |                            |
| <i>Other Taxes</i>                     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Carryforward</i>                    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Intergovernmental</i>               | 276,551                    | -                          | -                          | 152,073                    | 166,593                      | 160,000                    |
| <i>Town Services</i>                   | -                          | -                          | 44,450                     | -                          | -                            | -                          |
| <i>Licenses &amp; Permits</i>          | 182,860                    | 367,555                    | 385,311                    | 182,000                    | 287,000                      | 182,000                    |
| <i>Interest</i>                        | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Other Revenues</i>                  | 16,514,837                 | 82,115                     | 221,286                    | 198,000                    | 71,324                       | 98,000                     |
| Total Revenues                         | <b>16,974,248</b>          | <b>449,670</b>             | <b>651,047</b>             | <b>532,073</b>             | <b>524,917</b>               | <b>440,000</b>             |
| Transfers In                           |                            |                            |                            |                            |                              |                            |
| <i>Transfer from General Fund</i>      | 825,000                    | 786,525                    | 1,849,882                  | 3,514,593                  | 1,901,788                    | 2,683,746                  |
| <i>Transfer from CBDG</i>              | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers from Bulding Maint</i>    | 7,800                      | -                          | 73,546                     | 477,000                    | 5,820                        | 210,000                    |
| <i>Transfer from MIS Fund</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from Equip Replacement</i> | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers In                     | <b>832,800</b>             | <b>786,525</b>             | <b>1,923,428</b>           | <b>3,991,593</b>           | <b>1,907,608</b>             | <b>2,893,746</b>           |
| Total Revenues & Transfers In          | <b>17,807,048</b>          | <b>1,236,195</b>           | <b>2,574,475</b>           | <b>4,523,666</b>           | <b>2,432,525</b>             | <b>3,333,746</b>           |
| <b>TOTAL SOURCE OF FUNDS</b>           | <b>\$ 29,092,747</b>       | <b>\$ 25,136,663</b>       | <b>\$ 15,876,040</b>       | <b>\$ 17,210,805</b>       | <b>\$ 9,644,511</b>          | <b>\$ 8,958,572</b>        |
| <b>USES OF FUNDS</b>                   |                            |                            |                            |                            |                              |                            |
| Expenditures                           |                            |                            |                            |                            |                              |                            |
| <i>Salaries and Benefits</i>           | \$ 103,210                 | \$ 149,427                 | \$ 241,129                 | \$ -                       | \$ -                         | \$ -                       |
| <i>Operating Expenditures</i>          | 186                        | 2,330                      | -                          | -                          | -                            | -                          |
| <i>Charges for Services</i>            | 2,667                      | -                          | 3,806                      | -                          | -                            | -                          |
| <i>Interest Expense</i>                | 309,158                    | 20,500                     | -                          | -                          | -                            | -                          |
| <i>Capital Projects - Carryfwd</i>     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - New</i>          | 4,636,487                  | 11,562,196                 | 8,311,515                  | 14,713,245                 | 3,917,685                    | 3,239,000                  |
| Total Expenditures                     | <b>5,051,708</b>           | <b>11,734,453</b>          | <b>8,556,450</b>           | <b>14,713,245</b>          | <b>3,917,685</b>             | <b>3,239,000</b>           |
| Transfers Out                          |                            |                            |                            |                            |                              |                            |
| <i>Transfers to General Fund</i>       | 131,581                    | 100,645                    | 107,604                    | 102,000                    | 102,000                      | 102,000                    |
| <i>Transfers to Equip Repalcement</i>  | 8,990                      | -                          | -                          | -                          | -                            | -                          |
| Total Transfers Out                    | <b>140,571</b>             | <b>100,645</b>             | <b>107,604</b>             | <b>102,000</b>             | <b>102,000</b>               | <b>102,000</b>             |
| Total Expenditures & Transfers Out     | <b>5,192,279</b>           | <b>11,835,098</b>          | <b>8,664,054</b>           | <b>14,815,245</b>          | <b>4,019,685</b>             | <b>3,341,000</b>           |
| Ending Fund Balance                    |                            |                            |                            |                            |                              |                            |
| <i>Designated for Parking</i>          | 1,460,210                  | 1,757,000                  | 1,460,210                  | 1,460,210                  | 1,460,210                    | 1,460,210                  |
| <i>Undesignated</i>                    | 22,440,258                 | 11,544,565                 | 5,751,776                  | 935,350                    | 4,164,616                    | 4,157,362                  |
| Total Ending Fund Balance              | 23,900,468                 | 13,301,565                 | 7,211,986                  | 2,395,560                  | 5,624,826                    | 5,617,572                  |
| <b>TOTAL USE OF FUNDS</b>              | <b>\$ 29,092,747</b>       | <b>\$ 25,136,663</b>       | <b>\$ 15,876,040</b>       | <b>\$ 17,210,805</b>       | <b>\$ 9,644,511</b>          | <b>\$ 8,958,572</b>        |



**⌘ CAPITAL IMPROVEMENT PROGRAM ⌘**  
**General Fund Appropriated Reserve**

The following GFAR schedules identify projects completed in FY 2012/13, projects carried forward into FY 2013/14, and new FY 2013/14 projects, as part of the FY 2013-18 Capital Improvement Program:

**GENERAL FUND APPROPRIATED RESERVES (GFAR)**  
**FY 2013/14**

|   | <b>Est Exp<br/>Prior To<br/>FY 2012/13</b> | <b>Expenditures<br/>During<br/>FY 2012/13</b> | <b>Estimated<br/>Carryforward</b> | <b>New<br/>Funding<br/>FY 2013/14</b> | <b>Total<br/>Budgeted</b> |
|---|--|---|-----------------------------------|---------------------------------------|---------------------------|
| <b><i>Completed Projects</i></b>                        |  |   |                                   |                                       |                           |
| Univ Ave Resurfacing (Shelbourne to Vasona)             | 22,470                                     | 81,546  | -                                 | -                                     | 104,016                   |
| University Avenue Sidewalk / Creekside Sports Park      | 7,520                                      | 48,001  | -                                 | -                                     | 55,521                    |
| Northside Parking Lot Improvements                      | 530,750                                    | 74,516  | -                                 | -                                     | 605,266                   |
| Pageant Grounds Phase 3 Improvements                    | 530,750                                    | 482,064                                       | -                                 | -                                     | 1,012,814                 |
| Los Gatos Creekside Sports Park                         | 1,386,407                                  | 1,391,788                                     | -                                 | -                                     | 2,778,195                 |
| Turf Conversion & Water Conservation                    | -  | 33,000  | -                                 | -                                     | 33,000                    |
| Live Oak Manor Park Upgrades                            | 316  | 41,895  | -                                 | -                                     | 42,211                    |
| Library Facility  | 17,796,794                                 | 16,098  | -                                 | -                                     | 17,812,892                |
| Plaza Bus Shelter                                       | 2,210                                      | 5,820   | -                                 | -                                     | 8,030                     |
| DT Tree Light Replacement                               | -  | 97,500  | -                                 | -                                     | 97,500                    |
| <b><i>Total of Completed Projects</i></b>               | <b>\$ 20,277,217</b>                       | <b>\$ 2,272,228</b>                           | <b>\$ -</b>                       | <b>\$ -</b>                           | <b>\$ 22,549,445</b>      |
| <b><i>Carryforward Projects</i></b>                     |  |   |                                   |                                       |                           |
| Street Repair & Resurfacing                             | 2,060,938                                  | 1,273,287                                     | 267,098                           | 525,000                               | 4,126,323                 |
| Almond Grove Street Rehabilitation Project              | -  | -   | -                                 | 500,000                               | 500,000                   |
| Pavement Rehabilitation - Crack Seal                    | -  | 166,593                                       | -                                 | 160,000                               | 326,593                   |
| Traffic Calming Projects                                | 97,973                                     | -   | 27,027                            | 10,000                                | 135,000                   |
| Curb, Gutter & Sidewalk Maintenance                     | 799,165                                    | 155,731                                       | 294,433                           | 250,000                               | 1,499,329                 |
| Retaining Wall Repairs                                  | 378,757                                    | 25,189  | 763,527                           | 100,000                               | 1,267,473                 |
| Annual Street Restriping                                | 119,122                                    | -   | 30,878                            | 25,000                                | 175,000                   |
| Guardrail Replacement Projects                          | -  | -   | 40,000                            | 190,000                               | 230,000                   |
| 224 W. Main Street Property Acquisition (Parking Lot 6) | -  | -   | 1,200,000                         | -                                     | 1,200,000                 |
| Quito Road - Bridge Replacement                         | 32,038                                     | -   | 123,730                           | -                                     | 155,768                   |
| Town Beautification Projects                            | 87,593                                     | -   | 10,160                            | -                                     | 97,753                    |
| Old Library Re-use Project                              | -  | -   | 100,000                           | 400,000                               | 500,000                   |
| HVAC Upgrades - Old Library                             | 179,505                                    | -   | 200,000                           | -                                     | 379,505                   |
| Information System Upgrade                              | 391,831                                    | -   | 83,169                            | -                                     | 475,000                   |
| Town-Wide Document Imaging Project                      | 193,225                                    | -   | 21,775                            | -                                     | 215,000                   |
| Audio / Video System Upgrade                            | 52,440                                     | 4,657   | 53,503                            | -                                     | 110,600                   |
| Tiburon CAD / RMS Upgrade                               | 7,000                                      | 21,000  | 42,000                            | -                                     | 70,000                    |
| <b><i>Total of Carryforward Projects</i></b>            | <b>\$ 4,399,588</b>                        | <b>\$ 1,646,457</b>                           | <b>\$ 3,257,300</b>               | <b>\$2,160,000</b>                    | <b>\$ 11,463,345</b>      |
| <b><i>New Projects</i></b>                              |  |   |                                   |                                       |                           |
| Downtown Parking Lots Seal Coat & Restriping            | -  | -   | -                                 | 100,000                               | 100,000                   |
| Electrical Vehicle Charging Station Infrastructure      | -  | -   | -                                 | 100,000                               | 100,000                   |
| Townwide Vehicle Speed Survey                           | -  | -   | -                                 | 25,000                                | 25,000                    |
| Blossom Hill Park Pathway Improvements                  | -  | -   | -                                 | 89,000                                | 89,000                    |
| Pedestrian Bridge to Sports Park                        | -  | -   | -                                 | 50,000                                | 50,000                    |
| Open Space Trail Upgrades                               | -  | -   | -                                 | 250,000                               | 250,000                   |
| Tree Trimming - Various Town Parks                      | -  | -   | -                                 | 100,000                               | 100,000                   |
| Parks Restroom Partition Upgrades                       | -  | -   | -                                 | 55,000                                | 55,000                    |
| Parks Playground Fibar Project                          | -  | -   | -                                 | 25,000                                | 25,000                    |
| Parks Reservation System Replacement                    | -  | -   | -                                 | 25,000                                | 25,000                    |
| Town Park Lighting Project                              | -  | -   | -                                 | 150,000                               | 150,000                   |
| Civic Center Deck Repairs & Waterproofing               | -  | -   | -                                 | 60,000                                | 60,000                    |
| PPW Administration Building Improvements                | -  | -   | -                                 | 50,000                                | 50,000                    |
| <b><i>Total of New Projects</i></b>                     | <b>\$ -</b>                                | <b>\$ -</b>                                   | <b>\$ -</b>                       | <b>\$1,079,000</b>                    | <b>\$ 1,079,000</b>       |
| <b><i>GFAR Funding Project Totals</i></b>               | <b>\$ 24,676,805</b>                       | <b>\$ 3,918,685</b>                           | <b>\$ 3,257,300</b>               | <b>\$3,239,000</b>                    | <b>\$ 35,091,790</b>      |

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**General Fund Appropriated Reserve**

**FY 2013/14 KEY PROJECTS**

The following Capital Improvement Program projects funded with GFAR funding and/or donations which flow through the GFAR are expected to be key projects in FY 2013/14:

- ***Street Repair and Resurfacing*** – The Town’s Street Resurfacing Program of preventive and deferred maintenance includes both carryforward funds and new appropriations. The work to be performed consists of a balanced program of surface seals, street reconstructions, and pavement overlays, with supplemental ongoing maintenance activities performed by the Town’s Parks and Public Works Department staff. Approximately 82% of the proposed FY 2013-18 CIP funding is allocated to street reconstruction and maintenance projects. This emphasis reflects the Town Council’s priority to address street maintenance needs. The goal is for Town streets to be at an average Pavement Condition Index (PCI) of above 70 (100 being the highest rating possible). The Town’s cumulative investment in its streets resulted in raising the PCI from a low of 64 in 2002 to the level of 75 in 2006. The PCI value for Town streets as of winter 2012 is 72. This value is primarily driven by the condition of residential streets. The PCI for arterials and collectors streets is 80 and 70 respectively. While the \$1.5 million currently available is insufficient for this level of maintenance, the planned investment will slow the rate at which the average PCI will drop over time. The Town will continue to seek other funding sources for street repair and resurfacing from state and federal grants.

*Operating Budget Impacts:* Project design and oversight by the Engineering staff has been incorporated into the Engineering Program Services FY 2013/14 budget workplan.

- ***Curb, Gutter, and Sidewalk*** – This project funds the annual repair and replacement of deficient curbs, gutters, and sidewalks throughout the town. Locations for repair and replacement work are identified throughout the year by Parks and Public Works Department staff, and are prioritized in coordination with the annual Street Resurfacing Program, as applicable. The allocation for this ongoing project will be \$250,000 for FY 2013/14 and every year thereafter.

*Operating Budget Impacts:* Project oversight by the Engineering staff has been incorporated into the Engineering Program Services FY 2013/14 budget on an ongoing basis.

- ***Annual Street Restriping*** – This project is an annual program to restripe the highest priority streets with thermo-plastic striping to keep streets in safe condition for use by the public. Thermo-plastic striping is thicker, more durable, and has higher visibility than roadway paint, and, in turn, improves roadway safety. Restriping work is typically done in conjunction with street paving projects; however, this annual program is to provide funding for restriping outside of a paving project. Under this project, locations that are not scheduled for street repaving will be prioritized for restriping. The ongoing annual GFAR appropriation is planned at \$25,000 for this project.

*Operating Budget Impacts:* Street maintenance staff time for project oversight has been incorporated into the FY 2013/14 Parks and Public Works departmental budget.

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**General Fund Appropriated Reserve**

- ***Almond Grove Street Rehabilitation Project*** – The streets in the Almond Grove District have deteriorated over the years and, due to funding and maintenance constraints, no repairs or resurfacing activities have been performed. The project to rehabilitate the street infrastructure in this area will not only provide safe and functional streets and sidewalks for the community, but reduce the opportunity for trip and fall accidents. Due to the scale and magnitude of this project, work will be phased over several years to minimize construction impacts to the community and accommodate project funding; neighborhood input will be solicited when the proposed schedule for implementation is developed. The dissolution of the Redevelopment Agency has impacted the funds available for this project.

*Operating Budget Impacts:* Engineering staff time for oversight of this project is addressed in the FY 2013/14 Operating Budget.

- ***Quito Bridge Replacement*** – This project funds the replacement of two functionally obsolete bridges that span San Tomas Aquino Creek along Quito Road. The project is a joint effort between the Town, the City of Saratoga, and the Santa Clara Valley Water District, with the City of Saratoga serving as the lead agency for the project. Eighty percent of the funding for the project is provided through the Federal Highway Bridge Replacement and Rehabilitation (HBRR) program, with the remaining 20% shared equally between the three participating local agencies. After further evaluation of the bridges, it was determined that Quito Road would require reconstruction at each end of the bridge, which in turn requires additional right-of-way acquisitions and environmental reviews under both the State of California (Caltrans) and federal regulations. These changes have made it necessary to redesign this project, significantly increasing the estimated costs. The City of Saratoga has applied for additional funding from Caltrans due to the redesign. As a result of the additional project costs, the local match from the City of Saratoga, the Town of Los Gatos, and the SCVWD has increased from \$155,000 to \$238,000 for each agency. Based on the April 2012 schedule from the City of Saratoga, the construction of these bridges is anticipated to be completed by 2016.

*Operating Budget Impacts:* Engineering staff time for coordination of this project with the City of Saratoga has been incorporated into the Operating Budget. Completion of this project will mitigate the potential cost of lawsuits from bridge failure and pre-empt the cost of replacing the bridge in an emergency situation.



# **Capital Improvement Program**

## **TRAFFIC MITIGATION FUND FUND 471**

### **FUND PURPOSE**

Pursuant to Article VII of Chapter 15 of the Town Code, the Town collects traffic impact mitigation fees to finance transportation and traffic improvements throughout the town. Article IV of Chapter 15 authorizes the establishment of a fund into which all such fees and interest on those fees is deposited. The first traffic mitigation fees were collected on October 24, 1991. Money collected from such fees is to be used solely for construction of identified traffic and transportation projects to mitigate the traffic impacts of new development, and are not used for routine repairs and maintenance.

### **BUDGET OVERVIEW**

Funds collected as traffic mitigation fees are recorded as deferred revenue until the time of use for appropriated projects. The administration fees collected as a percentage of this revenue are realized at the time of receipt to recognize the Town's ongoing administrative functions in providing program oversight. Appropriations of traffic mitigation funds are controlled through Town Council action, after evaluating the benefits gained by proposed projects for their positive impacts on traffic.

For several years, the Town has allowed fund balances to accrue to accumulate funding for future traffic mitigation projects. Several projects, planned for upcoming years, are now in the preliminary planning stage. This planning includes the redesign and construction of the following intersections to correct the heavily travelled and congested roadway junctions in order to improve safety features and accommodate proper vehicular movement:

- Winchester Boulevard / Knowles Avenue
- Los Gatos Boulevard / Lark Avenue

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**Traffic Mitigation Fund**

**FY 2013/14 KEY PROJECTS**

The following key projects are budgeted in FY 2013/14:

- ***Highway 9/University Intersection*** – The lack of an updated traffic signal system and dedicated left turn lanes has impacted vehicle traffic flow, causing vehicle and pedestrian safety and capacity issues. To address these issues, a new traffic signal system, including dedicated left turn lanes, will be installed. The sidewalks located at this intersection will also be improved to comply with current codes. The project intersection is located in the Caltrans right-of-way and due to state budget challenges, funding has been limited for the past several years. However, the Town has secured a grant through the Highway Safety Implementation Program (HSIP). The project will be funded through this grant and revenue from development projects in the immediate area.
- ***Winchester Boulevard / Knowles Intersection*** - This project is designed to improve traffic flow at Winchester Boulevard and Knowles Avenue by installing upgraded traffic signalization devices, adding turn lanes from Knowles Avenue to northbound Winchester Boulevard, constructing sidewalk improvements, and restriping the roadway.
- ***Winchester Boulevard / Lark Avenue Improvements*** - This project will add a northbound receiving lane on Winchester Boulevard from Lark Avenue to Wimbledon Drive. In addition, the traffic lanes on westbound Lark Avenue will be reconfigured to provide a double right turn into Winchester Boulevard, and modifications to the traffic signal system at the intersection of Winchester Boulevard and Lark Avenue.

• ∞ CAPITAL IMPROVEMENT PROGRAM ∞  
Traffic Mitigation Fund

STATEMENT OF SOURCE AND USE OF FUNDS

|  | 2009/10<br>Actuals  | 2010/11<br>Actuals  | 2011/12<br>Actuals  | 2012/13<br>Adopted  | 2012/13<br>Estimated | 2013/14<br>Adopted  |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| <b>SOURCES OF FUNDS</b>                |                     |                     |                     |                     |                      |                     |
| Beginning Fund Balance                 |                     |                     |                     |                     |                      |                     |
| <i>Deferred Revenue</i>                | \$ 4,065,044        | \$ 4,065,044        | \$ 4,065,044        | \$ 4,065,045        | \$ 4,065,044         | \$ 4,065,044        |
| <i>Undesignated</i>                    | 79,232              | 79,233              | 79,233              | 126,033             | 126,033              | 152,199             |
| Total Beginning Fund Balance           | 4,144,276           | 4,144,277           | 4,144,277           | 4,191,078           | 4,191,077            | 4,217,243           |
| Revenues                               |                     |                     |                     |                     |                      |                     |
| <i>Other Taxes</i>                     | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Carryforward</i>                    | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Intergovernmental</i>               | -                   | -                   | -                   | 10,000              | -                    | -                   |
| <i>Town Services</i>                   | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Licenses &amp; Permits</i>          | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Interest</i>                        | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Other Revenues</i>                  | 60,429              | 210,655             | 1,178,657           | 1,926,474           | 1,146,899            | 820,000             |
| Total Revenues                         | 60,429              | 210,655             | 1,178,657           | 1,936,474           | 1,146,899            | 820,000             |
| Transfers In                           |                     |                     |                     |                     |                      |                     |
| <i>Transfer from General Fund</i>      | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Transfer from CBDG</i>              | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Transfers from Bulding Maint</i>    | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Transfer from MIS Fund</i>          | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Transfer from Equip Replacement</i> | -                   | -                   | -                   | -                   | -                    | -                   |
| Total Transfers In                     | -                   | -                   | -                   | -                   | -                    | -                   |
| Total Revenues & Transfers In          | 60,429              | 210,655             | 1,178,657           | 1,936,474           | 1,146,899            | 820,000             |
| <b>TOTAL SOURCE OF FUNDS</b>           | <b>\$ 4,204,705</b> | <b>\$ 4,354,932</b> | <b>\$ 5,322,934</b> | <b>\$ 6,127,552</b> | <b>\$ 5,337,976</b>  | <b>\$ 5,037,243</b> |
| <b>USES OF FUNDS</b>                   |                     |                     |                     |                     |                      |                     |
| Expenditures                           |                     |                     |                     |                     |                      |                     |
| <i>Salaries and Benefits</i>           | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                 | \$ -                |
| <i>Operating Expenditures</i>          | 40,000              | -                   | -                   | -                   | -                    | -                   |
| <i>Charges for Services</i>            | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Interest Expense</i>                | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Capital Projects - Carryfwd</i>     | -                   | -                   | -                   | -                   | -                    | -                   |
| <i>Capital Projects - New</i>          | 16,604              | 178,465             | 1,118,658           | 1,973,274           | 1,110,733            | 810,000             |
| Total Expenditures                     | 56,604              | 178,465             | 1,118,658           | 1,973,274           | 1,110,733            | 810,000             |
| Transfers Out                          |                     |                     |                     |                     |                      |                     |
| <i>Transfers to General Fund</i>       | 3,824               | 32,190              | 13,199              | 10,000              | 10,000               | 10,000              |
| <i>Transfers to Equip Repalcement</i>  | -                   | -                   | -                   | -                   | -                    | -                   |
| Total Transfers Out                    | 3,824               | 32,190              | 13,199              | 10,000              | 10,000               | 10,000              |
| Total Expenditures & Transfers Out     | 60,428              | 210,655             | 1,131,857           | 1,983,274           | 1,120,733            | 820,000             |
| Ending Fund Balance                    |                     |                     |                     |                     |                      |                     |
| <i>Deferred Revenue</i>                | 4,065,044           | 4,065,044           | 4,065,044           | 4,065,045           | 4,065,044            | 4,065,044           |
| <i>Undesignated</i>                    | 79,233              | 79,233              | 126,033             | 79,233              | 152,199              | 152,199             |
| Total Ending Fund Balance              | 4,144,277           | 4,144,277           | 4,191,077           | 4,144,278           | 4,217,243            | 4,217,243           |
| <b>TOTAL USE OF FUNDS</b>              | <b>\$ 4,204,705</b> | <b>\$ 4,354,932</b> | <b>\$ 5,322,934</b> | <b>\$ 6,127,552</b> | <b>\$ 5,337,976</b>  | <b>\$ 5,037,243</b> |

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**Traffic Mitigation Fund**

**TRAFFIC MITIGATION CIP PROJECTS**  
**FY 2013/14**

|   | <b>Est Exp<br/>Prior To<br/>FY 2012/13</b> | <b>Expenditures<br/>During<br/>FY 2012/13</b> | <b>Estimated<br/>Carryforward</b> | <b>New<br/>Funding<br/>FY 2013/14</b> | <b>Total<br/>Budgeted</b> |
|---|--|---|-----------------------------------|---------------------------------------|---------------------------|
| <i><b>Completed Projects</b></i>                        |  |   |                                   |                                       |                           |
| Wedgewood Ave Improvements                              | 674,131                                    | 352,711                                       | -                                 | -                                     | 1,026,842                 |
| Blossom Hill Road Improvements                          | 599,703                                    | 707,870                                       | -                                 | -                                     | 1,307,572                 |
| Shannon Road Annexation                                 | -  | 3,834   | -                                 | -                                     | 3,834                     |
| <i><b>Total of Completed Projects</b></i>               | <b>1,273,833</b>                           | <b>1,064,415</b>                              | <b>-</b>                          | <b>-</b>                              | <b>2,338,248</b>          |
| <i><b>Carryforward Projects</b></i>                     |  |   |                                   |                                       |                           |
| Hwy 9/University Intersection                           | 21,888                                     | 3,868   | 243,244                           | -                                     | 269,000                   |
| Winchester Blvd. / Knowles Intersection                 | -  | 42,450  | 487,550                           | -                                     | 530,000                   |
| Winchester Blvd. / Lark Ave. Intersection               | -  | 40,000  | 10,000                            | 800,000                               | 850,000                   |
| <i><b>Total of Carryforward Projects</b></i>            | <b>21,888</b>                              | <b>86,318</b>                                 | <b>740,794</b>                    | <b>800,000</b>                        | <b>1,649,000</b>          |
| <i><b>New Projects</b></i>                              |  |   |                                   |                                       |                           |
| Los Gatos Blvd / Shannon Improvements                   | -  | -   | -                                 | 10,000                                | 10,000                    |
| <i><b>Total of New Projects</b></i>                     | <b>-</b>                                   | <b>-</b>                                      | <b>-</b>                          | <b>10,000</b>                         | <b>10,000</b>             |
| <i><b>Traffic Mitigation Funding Project Totals</b></i> | <b>\$1,295,722</b>                         | <b>\$1,150,733</b>                            | <b>\$ 740,794</b>                 | <b>\$ 810,000</b>                     | <b>\$3,997,249</b>        |



# **Capital Improvement Program**

## **GRANTS AND AWARDS PROJECT FUND FUND 421**

### **FUND PURPOSE**

The Grants and Awards Project Fund is typically composed of projects funded by the federal Department of Housing and Urban Development's Community Development Block Grant (CDBG) Program, the Department of Transportation Seismic Safety Retrofit Program, Transportation Development Act (TDA) Article 3 Funds, Proposition 12 Funding (Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act), and Safe Route to School grants. Additional grants and awards may also be a funding source utilized in this fund. The expenditures in this fund are restricted to identified projects solely funded by grants.

### **BUDGET OVERVIEW**

For FY 2013/14, there are three grant funded carryforward projects and one new project. Three grant funded projects were completed during FY 2012/13.

Grant and Award CIP projects receive funding from a variety of sources

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**Grants and Awards Project Fund**

STATEMENT OF SOURCE AND USE OF FUNDS

|  | 2009/10<br>Actuals  | 2010/11<br>Actuals  | 2011/12<br>Actuals | 2012/13<br>Adopted  | 2012/13<br>Estimated | 2013/14<br>Adopted |
|--|---------------------|---------------------|--------------------|---------------------|----------------------|--------------------|
| <b>SOURCES OF FUNDS</b>                |                     |                     |                    |                     |                      |                    |
| Beginning Fund Balance                 |                     |                     |                    |                     |                      |                    |
| <i>Designated</i>                      | \$ -                | \$ -                | \$ -               | \$ -                | \$ -                 | \$ -               |
| <i>Undesignated</i>                    | (161,410)           | 474,646             | 35,827             | (671,281)           | (671,281)            | (81,489)           |
| Total Beginning Fund Balance           | (161,410)           | 474,646             | 35,827             | (671,281)           | (671,281)            | (81,489)           |
| Revenues                               |                     |                     |                    |                     |                      |                    |
| <i>Other Taxes</i>                     | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Carryforward</i>                    | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Intergovernmental</i>               | 2,377,868           | 1,552,778           | (14,895)           | 2,047,247           | 1,147,247            | 476,869            |
| <i>Town Services</i>                   | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Licenses &amp; Permits</i>          | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Interest</i>                        | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Other Revenues</i>                  | -                   | -                   | -                  | -                   | -                    | -                  |
| Total Revenues                         | <b>2,377,868</b>    | <b>1,552,778</b>    | <b>(14,895)</b>    | <b>2,047,247</b>    | <b>1,147,247</b>     | <b>476,869</b>     |
| Transfers In                           |                     |                     |                    |                     |                      |                    |
| <i>Transfer from General Fund</i>      | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Transfer from CDBG</i>              | 1,836               | 199,475             | -                  | 227,614             | 169,270              | 60,000             |
| <i>Transfer from Bulding Maint</i>     | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Transfer from MIS Fund</i>          | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Transfer from Equip Replacement</i> | -                   | -                   | -                  | -                   | -                    | -                  |
| Total Transfers In                     | <b>1,836</b>        | <b>199,475</b>      | <b>-</b>           | <b>227,614</b>      | <b>169,270</b>       | <b>60,000</b>      |
| Total Revenues & Transfers In          | <b>2,379,704</b>    | <b>1,752,253</b>    | <b>(14,895)</b>    | <b>2,274,861</b>    | <b>1,316,517</b>     | <b>536,869</b>     |
| <b>TOTAL SOURCE OF FUNDS</b>           | <b>\$ 2,218,294</b> | <b>\$ 2,226,899</b> | <b>\$ 20,932</b>   | <b>\$ 1,603,580</b> | <b>\$ 645,236</b>    | <b>\$ 455,380</b>  |
| <b>USES OF FUNDS</b>                   |                     |                     |                    |                     |                      |                    |
| Expenditures                           |                     |                     |                    |                     |                      |                    |
| <i>Salaries and Benefits</i>           | \$ -                | \$ -                | \$ -               | \$ -                | \$ -                 | \$ -               |
| <i>Operating Expenditures</i>          | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Charges for Services</i>            | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Interest Expense</i>                | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Capital Projects - Carryfwd</i>     | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Capital Projects - New</i>          | 1,743,648           | 2,191,072           | 599,237            | 1,655,593           | 726,725              | 536,869            |
| Total Expenditures                     | <b>1,743,648</b>    | <b>2,191,072</b>    | <b>599,237</b>     | <b>1,655,593</b>    | <b>726,725</b>       | <b>536,869</b>     |
| Transfers Out                          |                     |                     |                    |                     |                      |                    |
| <i>Transfers to General Fund</i>       | -                   | -                   | 92,976             | -                   | -                    | -                  |
| <i>Transfers to Grant Fund</i>         | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Transfers to Equip Replacment</i>   | -                   | -                   | -                  | -                   | -                    | -                  |
| Total Transfers Out                    | <b>-</b>            | <b>-</b>            | <b>92,976</b>      | <b>-</b>            | <b>-</b>             | <b>-</b>           |
| Total Expenditures & Transfers Out     | <b>1,743,648</b>    | <b>2,191,072</b>    | <b>692,213</b>     | <b>1,655,593</b>    | <b>726,725</b>       | <b>536,869</b>     |
| Ending Fund Balance                    |                     |                     |                    |                     |                      |                    |
| <i>Designated</i>                      | -                   | -                   | -                  | -                   | -                    | -                  |
| <i>Undesignated</i>                    | 474,646             | 35,827              | (671,281)          | (52,013)            | (81,489)             | (81,489)           |
| Total Ending Fund Balance              | 474,646             | 35,827              | (671,281)          | (52,013)            | (81,489)             | (81,489)           |
| <b>TOTAL USE OF FUNDS</b>              | <b>\$ 2,218,294</b> | <b>\$ 2,226,899</b> | <b>\$ 20,932</b>   | <b>\$ 1,603,580</b> | <b>\$ 645,236</b>    | <b>\$ 455,380</b>  |

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**Grants and Awards Project Fund**

The following schedule summarizes completed, carryforward, and new Grants and Awards Project Fund CIP Projects:

**GRANTS & AWARDS CIP PROJECTS**  
**FY 2013/14**

|  | <b>Est Exp<br/>Prior To<br/>FY 2012/13</b> | <b>Expenditures<br/>During<br/>FY 2012/13</b> | <b>Estimated<br/>Carryforward</b> | <b>New<br/>Funding<br/>FY 2013/14</b> | <b>Total<br/>Budgeted</b> |
|--|--|---|-----------------------------------|---------------------------------------|---------------------------|
| <b><i>Completed Projects</i></b>                   |  |   |                                   |                                       |                           |
| Univ Ave Resurfacing (Shelbourne to Vasona)        | -  | 500,000                                       | -                                 | -                                     | 500,000                   |
| University Avenue Sidewalk / Creekside Sports Park | -  | 60,150  | -                                 | -                                     | 60,150                    |
| Howe's Playlot Pathway Upgrade                     | -  | 34,535  | -                                 | -                                     | 34,535                    |
| Live Oak Manor Park Upgrades                       | -  | 109,120                                       | -                                 | -                                     | 109,120                   |
| Energy Efficient Lighting Project                  | 144,108                                    | 18,603  | -                                 | -                                     | 162,712                   |
| <b><i>Total of Completed Projects</i></b>          | <b>\$ 144,108</b>                          | <b>\$ 722,408</b>                             | <b>\$ -</b>                       | <b>\$ -</b>                           | <b>\$ 866,517</b>         |
| <b><i>Carryforward Projects</i></b>                |  |   |                                   |                                       |                           |
| Hwy 9/University Intersection                      | 6,556                                      | 4,317   | 889,127                           | -                                     | 900,000                   |
| <b><i>Total of Carryforward Projects</i></b>       | <b>\$ 6,556</b>                            | <b>\$ 4,317</b>                               | <b>\$ 889,127</b>                 | <b>\$ -</b>                           | <b>\$ 900,000</b>         |
| <b><i>New Projects</i></b>                         |  |   |                                   |                                       |                           |
| Hillside Road Repair & Resurfacing Project         | -  | -   | -                                 | 139,000                               | 139,000                   |
| Blossom Hill Park Pathway Improvements             | -  | -   | 59,488                            | 97,869                                | 157,357                   |
| Pedestrian Bridge to Sports Park                   | -  | -   | -                                 | 300,000                               | 300,000                   |
| <b><i>Total of New Projects</i></b>                | <b>\$ -</b>                                | <b>\$ -</b>                                   | <b>\$ 59,488</b>                  | <b>\$ 536,869</b>                     | <b>\$ 596,357</b>         |
| <b><i>Grant and Awards Project Totals:</i></b>     | <b>\$ 150,664</b>                          | <b>\$ 726,726</b>                             | <b>\$ 948,615</b>                 | <b>\$ 536,869</b>                     | <b>\$2,362,874</b>        |

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**Grants and Awards Project Fund**

**FY 2013/14 KEY PROJECTS**

The following Capital Improvement Plan projects are funded with grant funding and are expected to be Key Projects in FY 2013/14:

- ***Hillside Road Repair & Resurfacing Project*** – This project will perform repairs and resurfacing to several sections of Kennedy Road in the hillside area.

*Operating Budget Impacts:* Engineering staff time for project construction management and instruction is addressed in the FY 2013/14 Operating Budget.

- ***Blossom Hill Park Pathway Improvements*** – This project will install new catch basins around the playground area to reduce the risk of flooding along the pathway, and expand the existing asphalt pathway from 4' to 8' wide from the Shannon Road parking lot to the playground area. This will improve access for people with physical disabilities and provide a class I pedestrian and bicycle connection between Blossom Hill and Shannon Roads. Additionally, the project will include repairing and widening sections of the pathway from Hillbrook Drive to the restroom/concession facility.

*Operating Budget Impacts:* Staff time for construction inspection and management of this project is addressed in the FY 2013/14 Operating Budget.

- ***Pedestrian Bridge to Sports Park*** – This project will construct a pedestrian bridge from Los Gatos Creek Trail to the Creekside Sports Park site. This project will evaluate alignment alternatives for this bridge and a potential connection to University Avenue and explore the possibilities of creating a pathway to Vasona Lake, along University Avenue, that would create a loop around the lake and by the Creekside Sports Park

*Operating Budget Impacts:* Staff time for construction inspection and management of this project is addressed in the FY 2013/14 Operating Budget.

# **Capital Improvement Program**

## **STORM DRAIN FUNDS FUNDS 461, 462, 463**

### **FUND PURPOSE**

The Town's three Storm Drain Funds are designated for support of the storm drain systems that carry surface runoff water off the Town's streets and route it into curbside catch basins. From there, runoff enters an underground pipe system that ultimately flows to San Francisco Bay. These Storm Drain Funds construct and maintain the Town's facilities, which collect and transport the surface runoff water.

Storm Drain revenues are a designated portion of the fees collected from private development planning permit fees. Town Code Section 24.60.010 *et seq.* requires fees to be paid in conjunction with development in specified local drainage areas. Fees collected are placed in one of these three funds, known as Storm Drain Basin #1 (Fund 461), which encompasses the eastern portion of Los Gatos town limits; Storm Drain Basin #2 (Fund 462), which encompasses a central corridor through the town; and Storm Drain Basin #3 (Fund 463), which encompasses the town's west side. The use of these funds is restricted to the construction of drainage facilities located in the designated areas.

### **BUDGET OVERVIEW**

The use of these fees is controlled through Town Council action, and the benefit of each project is evaluated for impacts on a designated local drainage area. Expenditures from storm drain fees are limited to new construction only, not repair or maintenance work

### **FY 2013/14 KEY PROJECTS**

The Hicks & Philips Culvert Improvement project was completed during FY 2012/13. There are no projects scheduled for FY 2013/14.

**⌘ CAPITAL IMPROVEMENT PROGRAM ⌘**  
**Storm Drain Fund - 461**

**STATEMENT OF SOURCE AND USE OF FUNDS**

|  | <b>2009/10<br/>Actuals</b> | <b>2010/11<br/>Actuals</b> | <b>2011/12<br/>Actuals</b> | <b>2012/13<br/>Adopted</b> | <b>2012/13<br/>Estimated</b> | <b>2013/14<br/>Adopted</b> |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| <b>SOURCES OF FUNDS</b>                |                            |                            |                            |                            |                              |                            |
| Beginning Fund Balance                 |                            |                            |                            |                            |                              |                            |
| <i>Designated</i>                      | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ -                         | \$ -                       |
| <i>Undesignated</i>                    | 207,256                    | 201,328                    | 284,346                    | 440,984                    | 440,984                      | 327,994                    |
| Total Beginning Fund Balance           | 207,256                    | 201,328                    | 284,346                    | 440,984                    | 440,984                      | 327,994                    |
| Revenues                               |                            |                            |                            |                            |                              |                            |
| <i>Other Taxes</i>                     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Carryforward</i>                    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Intergovernmental</i>               | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Town Services</i>                   | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Licenses &amp; Permits</i>          | 36,062                     | 79,682                     | 153,007                    | 45,000                     | 126,655                      | 45,000                     |
| <i>Interest</i>                        | 3,900                      | 3,336                      | 4,071                      | 3,120                      | 2,200                        | 3,120                      |
| <i>Other Revenues</i>                  | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Revenues                         | <b>39,962</b>              | <b>83,018</b>              | <b>157,078</b>             | <b>48,120</b>              | <b>128,855</b>               | <b>48,120</b>              |
| Transfers In                           |                            |                            |                            |                            |                              |                            |
| <i>Transfer from General Fund</i>      | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from CDBG</i>              | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers from Bulding Maint</i>    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from MIS Fund</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from Equip Replacement</i> | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers In                     | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Revenues & Transfers In          | <b>39,962</b>              | <b>83,018</b>              | <b>157,078</b>             | <b>48,120</b>              | <b>128,855</b>               | <b>48,120</b>              |
| <b>TOTAL SOURCE OF FUNDS</b>           | <b>\$ 247,218</b>          | <b>\$ 284,346</b>          | <b>\$ 441,424</b>          | <b>\$ 489,104</b>          | <b>\$ 569,839</b>            | <b>\$ 376,114</b>          |
| <b>USES OF FUNDS</b>                   |                            |                            |                            |                            |                              |                            |
| Expenditures                           |                            |                            |                            |                            |                              |                            |
| <i>Salaries and Benefits</i>           | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ -                         | \$ -                       |
| <i>Operating Expenditures</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Charges for Services</i>            | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Interest Expense</i>                | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - Carryfwd</i>     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - New</i>          | 45,890                     | -                          | 440                        | 284,560                    | 241,845                      | -                          |
| Total Expenditures                     | <b>45,890</b>              | <b>-</b>                   | <b>440</b>                 | <b>284,560</b>             | <b>241,845</b>               | <b>-</b>                   |
| Transfers Out                          |                            |                            |                            |                            |                              |                            |
| <i>Transfers to General Fund</i>       | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers to Equip Repalcement</i>  | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers Out                    | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Expenditures & Transfers Out     | <b>45,890</b>              | <b>-</b>                   | <b>440</b>                 | <b>284,560</b>             | <b>241,845</b>               | <b>-</b>                   |
| Ending Fund Balance                    |                            |                            |                            |                            |                              |                            |
| <i>Designated</i>                      | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Undesignated</i>                    | 201,328                    | 284,346                    | 440,984                    | 204,544                    | 327,994                      | 376,114                    |
| Total Ending Fund Balance              | 201,328                    | 284,346                    | 440,984                    | 204,544                    | 327,994                      | 376,114                    |
| <b>TOTAL USE OF FUNDS</b>              | <b>\$ 247,218</b>          | <b>\$ 284,346</b>          | <b>\$ 441,424</b>          | <b>\$ 489,104</b>          | <b>\$ 569,839</b>            | <b>\$ 376,114</b>          |

**⌘ CAPITAL IMPROVEMENT PROGRAM ⌘**  
**Storm Drain Fund - 462**

**STATEMENT OF SOURCE AND USE OF FUNDS**

|  | <b>2009/10<br/>Actuals</b> | <b>2010/11<br/>Actuals</b> | <b>2011/12<br/>Actuals</b> | <b>2012/13<br/>Adopted</b> | <b>2012/13<br/>Estimated</b> | <b>2013/14<br/>Adopted</b> |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| <b>SOURCES OF FUNDS</b>                |                            |                            |                            |                            |                              |                            |
| Beginning Fund Balance                 |                            |                            |                            |                            |                              |                            |
| <i>Designated</i>                      | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ -                         | \$ -                       |
| <i>Undesignated</i>                    | 510,697                    | 571,982                    | 657,315                    | 749,937                    | 749,937                      | 796,337                    |
| Total Beginning Fund Balance           | 510,697                    | 571,982                    | 657,315                    | 749,937                    | 749,937                      | 796,337                    |
| Revenues                               |                            |                            |                            |                            |                              |                            |
| <i>Other Taxes</i>                     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Carryforward</i>                    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Intergovernmental</i>               | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Town Services</i>                   | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Licenses &amp; Permits</i>          | 50,415                     | 77,175                     | 85,210                     | 45,000                     | 43,000                       | 45,000                     |
| <i>Interest</i>                        | 10,870                     | 8,158                      | 7,412                      | 8,420                      | 3,400                        | 8,000                      |
| <i>Other Revenues</i>                  | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Revenues                         | <b>61,285</b>              | <b>85,333</b>              | <b>92,622</b>              | <b>53,420</b>              | <b>46,400</b>                | <b>53,000</b>              |
| Transfers In                           |                            |                            |                            |                            |                              |                            |
| <i>Transfer from General Fund</i>      | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from CDBG</i>              | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers from Bulding Maint</i>    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from MIS Fund</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from Equip Replacement</i> | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers In                     | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Revenues & Transfers In          | <b>61,285</b>              | <b>85,333</b>              | <b>92,622</b>              | <b>53,420</b>              | <b>46,400</b>                | <b>53,000</b>              |
| <b>TOTAL SOURCE OF FUNDS</b>           | <b>\$ 571,982</b>          | <b>\$ 657,315</b>          | <b>\$ 749,937</b>          | <b>\$ 803,357</b>          | <b>\$ 796,337</b>            | <b>\$ 849,337</b>          |
| <b>USES OF FUNDS</b>                   |                            |                            |                            |                            |                              |                            |
| Expenditures                           |                            |                            |                            |                            |                              |                            |
| <i>Salaries and Benefits</i>           | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ -                         | \$ -                       |
| <i>Operating Expenditures</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Charges for Services</i>            | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Interest Expense</i>                | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - Carryfwd</i>     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - New</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Expenditures                     | -                          | -                          | -                          | -                          | -                            | -                          |
| Transfers Out                          |                            |                            |                            |                            |                              |                            |
| <i>Transfers to General Fund</i>       | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers to Equip Replacement</i>  | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers Out                    | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Expenditures & Transfers Out     | -                          | -                          | -                          | -                          | -                            | -                          |
| Ending Fund Balance                    |                            |                            |                            |                            |                              |                            |
| <i>Designated</i>                      | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Undesignated</i>                    | 571,982                    | 657,315                    | 749,937                    | 803,357                    | 796,337                      | 849,337                    |
| Total Ending Fund Balance              | 571,982                    | 657,315                    | 749,937                    | 803,357                    | 796,337                      | 849,337                    |
| <b>TOTAL USE OF FUNDS</b>              | <b>\$ 571,982</b>          | <b>\$ 657,315</b>          | <b>\$ 749,937</b>          | <b>\$ 803,357</b>          | <b>\$ 796,337</b>            | <b>\$ 849,337</b>          |

**⌘ CAPITAL IMPROVEMENT PROGRAM ⌘**  
**Storm Drain Fund - 463**

**STATEMENT OF SOURCE AND USE OF FUNDS**

|  | <b>2009/10<br/>Actuals</b> | <b>2010/11<br/>Actuals</b> | <b>2011/12<br/>Actuals</b> | <b>2012/13<br/>Adopted</b> | <b>2012/13<br/>Estimated</b> | <b>2013/14<br/>Adopted</b> |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| <b>SOURCES OF FUNDS</b>                |                            |                            |                            |                            |                              |                            |
| Beginning Fund Balance                 |                            |                            |                            |                            |                              |                            |
| <i>Designated</i>                      | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ -                         | \$ -                       |
| <i>Undesignated</i>                    | (36,086)                   | (50,601)                   | (75,205)                   | (74,289)                   | (74,289)                     | (59,989)                   |
| Total Beginning Fund Balance           | (36,086)                   | (50,601)                   | (75,205)                   | (74,289)                   | (74,289)                     | (59,989)                   |
| Revenues                               |                            |                            |                            |                            |                              |                            |
| <i>Other Taxes</i>                     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Carryforward</i>                    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Intergovernmental</i>               | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Town Services</i>                   | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Licenses &amp; Permits</i>          | 3,525                      | 799                        | 1,683                      | 2,000                      | 15,000                       | 5,000                      |
| <i>Interest</i>                        | (860)                      | (713)                      | (767)                      | (1,000)                    | (700)                        | (1,000)                    |
| <i>Other Revenues</i>                  | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Revenues                         | <b>2,665</b>               | <b>86</b>                  | <b>916</b>                 | <b>1,000</b>               | <b>14,300</b>                | <b>4,000</b>               |
| Transfers In                           |                            |                            |                            |                            |                              |                            |
| <i>Transfer from General Fund</i>      | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from CDBG</i>              | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers from Bulding Maint</i>    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from MIS Fund</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from Equip Replacement</i> | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers In                     | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Revenues & Transfers In          | <b>2,665</b>               | <b>86</b>                  | <b>916</b>                 | <b>1,000</b>               | <b>14,300</b>                | <b>4,000</b>               |
| <b>TOTAL SOURCE OF FUNDS</b>           | <b>\$ (33,421)</b>         | <b>\$ (50,515)</b>         | <b>\$ (74,289)</b>         | <b>\$ (73,289)</b>         | <b>\$ (59,989)</b>           | <b>\$ (55,989)</b>         |
| <b>USES OF FUNDS</b>                   |                            |                            |                            |                            |                              |                            |
| Expenditures                           |                            |                            |                            |                            |                              |                            |
| <i>Salaries and Benefits</i>           | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ -                         | \$ -                       |
| <i>Operating Expenditures</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Charges for Services</i>            | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Interest Expense</i>                | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - Carryfwd</i>     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - New</i>          | 17,180                     | 24,690                     | -                          | -                          | -                            | -                          |
| Total Expenditures                     | <b>17,180</b>              | <b>24,690</b>              | <b>-</b>                   | <b>-</b>                   | <b>-</b>                     | <b>-</b>                   |
| Transfers Out                          |                            |                            |                            |                            |                              |                            |
| <i>Transfers to General Fund</i>       | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers to Equip Replacement</i>  | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers Out                    | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Expenditures & Transfers Out     | <b>17,180</b>              | <b>24,690</b>              | <b>-</b>                   | <b>-</b>                   | <b>-</b>                     | <b>-</b>                   |
| Ending Fund Balance                    |                            |                            |                            |                            |                              |                            |
| <i>Designated</i>                      | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Undesignated</i>                    | (50,601)                   | (75,205)                   | (74,289)                   | (73,289)                   | (59,989)                     | (55,989)                   |
| Total Ending Fund Balance              | (50,601)                   | (75,205)                   | (74,289)                   | (73,289)                   | (59,989)                     | (55,989)                   |
| <b>TOTAL USE OF FUNDS</b>              | <b>\$ (33,421)</b>         | <b>\$ (50,515)</b>         | <b>\$ (74,289)</b>         | <b>\$ (73,289)</b>         | <b>\$ (59,989)</b>           | <b>\$ (55,989)</b>         |



**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**Storm Drain Funds**

**STORMDRAIN CIP PROJECTS**  
**FY 2013/14**

|  | <b>Est Exp<br/>Prior To<br/>FY 2012/13</b> | <b>Expenditures<br/>During<br/>FY 2012/13</b> | <b>Estimated<br/>Carryforward</b> | <b>New<br/>Funding<br/>FY 2013/14</b> | <b>Total<br/>Budgeted</b> |
|--|--|---|-----------------------------------|---------------------------------------|---------------------------|
| <i>Completed Projects</i>                    |  |   |                                   |                                       |                           |
| Hicks & Philips Culvert Improvements         | 440  | 241,845                                       | -                                 | -                                     | 242,286                   |
| <b><i>Total of Completed Projects</i></b>    | <b>\$ 440</b>                              | <b>\$ 241,845</b>                             | <b>\$ -</b>                       | <b>\$ -</b>                           | <b>\$ 242,286</b>         |
| <i>Carryforward Projects</i>                 |  |   |                                   |                                       |                           |
| <b><i>Total of Carryforward Projects</i></b> | <b>\$ -</b>                                | <b>\$ -</b>                                   | <b>\$ -</b>                       | <b>\$ -</b>                           | <b>\$ -</b>               |
| <i>New Projects</i>                          |  |   |                                   |                                       |                           |
| <b><i>Total of New Projects</i></b>          | <b>\$ -</b>                                | <b>\$ -</b>                                   | <b>\$ -</b>                       | <b>\$ -</b>                           | <b>\$ -</b>               |
| <b><i>Storm Drain Project Totals:</i></b>    | <b>\$ 440</b>                              | <b>\$ 241,845</b>                             | <b>\$ -</b>                       | <b>\$ -</b>                           | <b>\$ 242,286</b>         |



# **Capital Improvement Program**

## **UTILITY UNDERGROUND FUND 472**

### **FUND PURPOSE**

This fund accounts for the resources generated and utilized for placing overhead utility lines underground in the effort to improve power reliability, reduce utility maintenance costs, and remove unsightly poles and lines.

The Utility Underground Fund generates revenue through a construction fee placed on building permits. The fee is imposed on the construction of any building, portion of a building, or mobile home lot. Construction by definition includes both new construction and enlargement. The underground utility fee imposed is a fixed rate per square foot, currently set at \$0.18 for each square foot of building addition or alteration. The use of the proceeds of the fee is limited to the conversion of existing overhead utility lines to underground lines.

Utility Underground-funded projects may also be funded by Pacific Gas and Electric Company's (PG&E) Rule 20A funds. Projects that will eliminate a heavy concentration of overhead electric lines in areas used extensively by the general public are nominated by the Town to PG&E. Approved projects are then funded through the Town's allocation of Rule 20A funds, which are electric tariffs accumulated by PG&E as a percentage of electric bills. The Town's allocation typically is in the range of \$60,000 to \$110,000 annually.

### **BUDGET OVERVIEW**

The use of Utility Underground Fund fees is controlled through Town Council action, after the benefit of each project is evaluated to ensure appropriate application of the fees to eligible projects. Projects have not been scheduled in recent years, which have allowed the fund to accumulate funding for future Utility Underground projects. The Civic Center Site Improvements project was completed during FY 2011/12. There are no projects scheduled for FY 2013/14.

Staff will continue to review the purpose of the Utility Underground Fund to identify additional opportunities for projects in future CIP budgets.

**⌘ CAPITAL IMPROVEMENT PROGRAM ⌘**  
**Utility Underground Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

|  | <b>2009/10<br/>Actuals</b> | <b>2010/11<br/>Actuals</b> | <b>2011/12<br/>Actuals</b> | <b>2012/13<br/>Adopted</b> | <b>2012/13<br/>Estimated</b> | <b>2013/14<br/>Adopted</b> |
|--|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| <b>SOURCES OF FUNDS</b>                |                            |                            |                            |                            |                              |                            |
| Beginning Fund Balance                 |                            |                            |                            |                            |                              |                            |
| <i>Designated</i>                      | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ -                         | \$ -                       |
| <i>Undesignated</i>                    | 2,462,596                  | 2,323,015                  | 2,385,667                  | 2,450,323                  | 2,450,323                    | 2,511,323                  |
| Total Beginning Fund Balance           | 2,462,596                  | 2,323,015                  | 2,385,667                  | 2,450,323                  | 2,450,323                    | 2,511,323                  |
| Revenues                               |                            |                            |                            |                            |                              |                            |
| <i>Other Taxes</i>                     | 19,586                     | 31,989                     | 44,387                     | 15,000                     | 35,000                       | 15,000                     |
| <i>Carryforward</i>                    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Intergovernmental</i>               | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Town Services</i>                   | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Licenses &amp; Permits</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Interest</i>                        | 49,180                     | 30,663                     | 24,976                     | 36,250                     | 26,000                       | 30,000                     |
| <i>Other Revenues</i>                  | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Revenues                         | <b>68,766</b>              | <b>62,652</b>              | <b>69,363</b>              | <b>51,250</b>              | <b>61,000</b>                | <b>45,000</b>              |
| Transfers In                           |                            |                            |                            |                            |                              |                            |
| <i>Transfer from General Fund</i>      | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from CDBG</i>              | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers from Bulding Maint</i>    | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from MIS Fund</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfer from Equip Replacement</i> | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers In                     | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Revenues & Transfers In          | <b>68,766</b>              | <b>62,652</b>              | <b>69,363</b>              | <b>51,250</b>              | <b>61,000</b>                | <b>45,000</b>              |
| <b>TOTAL SOURCE OF FUNDS</b>           | <b>\$ 2,531,362</b>        | <b>\$ 2,385,667</b>        | <b>\$ 2,455,030</b>        | <b>\$ 2,501,573</b>        | <b>\$ 2,511,323</b>          | <b>\$ 2,556,323</b>        |
| <b>USES OF FUNDS</b>                   |                            |                            |                            |                            |                              |                            |
| Expenditures                           |                            |                            |                            |                            |                              |                            |
| <i>Salaries and Benefits</i>           | \$ -                       | \$ -                       | \$ -                       | \$ -                       | \$ -                         | \$ -                       |
| <i>Operating Expenditures</i>          | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Charges for Services</i>            | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Interest Expense</i>                | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - Carryfwd</i>     | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Capital Projects - New</i>          | 208,347                    | -                          | 4,707                      | -                          | -                            | -                          |
| Total Expenditures                     | <b>208,347</b>             | -                          | <b>4,707</b>               | -                          | -                            | -                          |
| Transfers Out                          |                            |                            |                            |                            |                              |                            |
| <i>Transfers to General Fund</i>       | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Transfers to Equip Replacement</i>  | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Transfers Out                    | -                          | -                          | -                          | -                          | -                            | -                          |
| Total Expenditures & Transfers Out     | <b>208,347</b>             | -                          | <b>4,707</b>               | -                          | -                            | -                          |
| Ending Fund Balance                    |                            |                            |                            |                            |                              |                            |
| <i>Designated</i>                      | -                          | -                          | -                          | -                          | -                            | -                          |
| <i>Undesignated</i>                    | 2,323,015                  | 2,385,667                  | 2,450,323                  | 2,501,573                  | 2,511,323                    | 2,556,323                  |
| Total Ending Fund Balance              | 2,323,015                  | 2,385,667                  | 2,450,323                  | 2,501,573                  | 2,511,323                    | 2,556,323                  |
| <b>TOTAL USE OF FUNDS</b>              | <b>\$ 2,531,362</b>        | <b>\$ 2,385,667</b>        | <b>\$ 2,455,030</b>        | <b>\$ 2,501,573</b>        | <b>\$ 2,511,323</b>          | <b>\$ 2,556,323</b>        |

# UTILITY UNDERGROUND CIP PROJECTS

FY 2013/14

|   | Est Exp<br>Prior To<br>FY 2012/13 | Expenditures<br>During<br>FY 2012/13 | Estimated<br>Carryforward | New<br>Funding<br>FY 2013/14 | Total<br>Budgeted |
|---|-----------------------------------|--------------------------------------|---------------------------|------------------------------|-------------------|
| <i>Completed Projects</i>                 | -                                 | -                                    | -                         | -                            | -                 |
| <i>Total of Completed Projects</i>        | \$ -                              | \$ -                                 | \$ -                      | \$ -                         | \$ -              |
| <i>Utility Underground Project Totals</i> | \$ -                              | \$ -                                 | \$ -                      | \$ -                         | \$ -              |



# Capital Improvement Program

## GAS TAX FUND FUND 481

### FUND PURPOSE

Gas Tax Fund revenue is a state-provided funding source for the purpose of street and highway maintenance and reconstruction. Street and Highway Code Sections 2103 (originally Prop 42), 2105, 2106, 2107, and 2107.5 govern the Gas Tax Fund. Expenditures from this fund are restricted to new construction and reconstruction of Town streets. The general classification of street and road working activities consist of construction, maintenance, and overhead, as follow:

**Construction** is the building or rebuilding of streets, roads, and bridges; and the acquisition of rights of way or their component parts, to a degree that improved traffic service is provided and geometric or structural improvements are effected. The following types of work are examples of street and road construction:

- Removal of old streets and roadbeds, and detour costs connected with a construction project
- Change of alignment, profile, and cross-section
- Addition of a frontage street or road
- Installation of original traffic signs and markers on routes
- Complete reconstruction or an addition to a culvert
- Reconstruction of an existing bridge or installation of a new bridge
- Installations or extensions of curb, gutter, sidewalks, and under drain
- Installation or expansion of street or road lighting system

**Maintenance** is the preservation and upkeep of a street or road condition and the operation of a street or road facility to provide safe, convenient, and economical highway transportation. Maintenance categories include:

- Patching, repairing, surface treating, and joint filing on bituminous or concrete surfaces
- Resealing street or road shoulders and side street and road approaches
- Removing slides and restoring facilities damaged by slides
- Mowing, tree trimming, and watering within the street right-of-way
- Repairing curb, gutter, rip-rap, under drain, culverts, and drains
- Repainting of pavements, and striping and marking to the same standards
- Furnishing of power for street and road lighting and traffic control

## **∞ CAPITAL IMPROVEMENT PROGRAM ∞**

### **Gas Tax Fund**

**Overhead** includes those elements of cost necessary in the production of an article or performance of a service. Usually overhead relates to expenditures which do not become an integral part of the finished product or service. Overhead costs are only allowed under an approved cost allocation plan, or an equitable and auditable distribution of overhead to all departments. Components of overhead expenses include:

- Management
- Procurement
- Advertising
- Legal Costs
- Payroll
- General Accounting/Finance
- Facilities

#### **Ineligible Activities**

Although many types of work may be classified as “construction,” this does not make them automatically eligible. To be eligible the work must be for street or road purposes. The following is a list of the types of expenditures that are not eligible:

- Costs of rearranging non-highway facilities, including utility relocation, when not a legal road or street obligation
- New installation of utilities, including water mains, sanitary sewers, and other non-street facilities
- Decorative lighting
- Work outside the right-of-way that is not a specific right-of-way obligation
- Maintenance or construction on alleys that have not been formally designated as part of the jurisdiction’s street and road system
- Improvements and maintenance to “Park and Ride” designated lots

### **BUDGET OVERVIEW**

Gas Tax Fund revenues are budgeted equal to estimated levels for the prior year as the revenue has shown both an increase and a decrease in recent years. With the recent escalation in gasoline prices, the projection for FY 2013/14 may be conservative; however, conservative judgment recommends using a lower estimate in this volatile market. The ongoing Street Repair and Resurfacing project was carried forward from FY 2012/13. There are no new Gas Tax-funded projects scheduled for FY 2013/14.



**⌘ CAPITAL IMPROVEMENT PROGRAM ⌘**  
**Gas Tax Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

|  | <b>2009/10</b>      | <b>2010/11</b>      | <b>2011/12</b>    | <b>2012/13</b>      | <b>2012/13</b>      | <b>2013/14</b>      |
|--|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|
|  | <b>Actuals</b>      | <b>Actuals</b>      | <b>Actuals</b>    | <b>Adopted</b>      | <b>Estimated</b>    | <b>Adopted</b>      |
| <b>SOURCES OF FUNDS</b>                |                     |                     |                   |                     |                     |                     |
| Beginning Fund Balance                 |                     |                     |                   |                     |                     |                     |
| <i>Designated</i>                      | \$ -                | \$ -                | \$ -              | \$ -                | \$ -                | \$ -                |
| <i>Undesignated</i>                    | 683,180             | 359,469             | 73,264            | 193,300             | 193,300             | 268,090             |
| Total Beginning Fund Balance           | 683,180             | 359,469             | 73,264            | 193,300             | 193,300             | 268,090             |
| Revenues                               |                     |                     |                   |                     |                     |                     |
| <i>Other Taxes</i>                     | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Carryforward</i>                    | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Intergovernmental</i>               | 499,702             | 728,852             | 871,471           | 832,290             | 832,290             | 832,290             |
| <i>Town Services</i>                   | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Licenses &amp; Permits</i>          | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Interest</i>                        | 5,340               | 5,489               | 4,565             | 2,270               | (1,500)             | 1,000               |
| <i>Other Revenues</i>                  | -                   | -                   | -                 | -                   | -                   | -                   |
| Total Revenues                         | <b>505,042</b>      | <b>734,341</b>      | <b>876,036</b>    | <b>834,560</b>      | <b>830,790</b>      | <b>833,290</b>      |
| Transfers In                           |                     |                     |                   |                     |                     |                     |
| <i>Transfer from General Fund</i>      | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Transfer from CDBG</i>              | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Transfers from Bulding Maint</i>    | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Transfer from MIS Fund</i>          | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Transfer from Equip Replacement</i> | -                   | -                   | -                 | -                   | -                   | -                   |
| Total Transfers In                     | -                   | -                   | -                 | -                   | -                   | -                   |
| Total Revenues & Transfers In          | <b>505,042</b>      | <b>734,341</b>      | <b>876,036</b>    | <b>834,560</b>      | <b>830,790</b>      | <b>833,290</b>      |
| <b>TOTAL SOURCE OF FUNDS</b>           | <b>\$ 1,188,222</b> | <b>\$ 1,093,810</b> | <b>\$ 949,300</b> | <b>\$ 1,027,860</b> | <b>\$ 1,024,090</b> | <b>\$ 1,101,380</b> |
| <b>USES OF FUNDS</b>                   |                     |                     |                   |                     |                     |                     |
| Expenditures                           |                     |                     |                   |                     |                     |                     |
| <i>Salaries and Benefits</i>           | \$ -                | \$ -                | \$ -              | \$ -                | \$ -                | \$ -                |
| <i>Operating Expenditures</i>          | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Charges for Services</i>            | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Interest Expense</i>                | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Capital Projects - Carryfwd</i>     | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Capital Projects - New</i>          | 722,753             | 914,546             | 650,000           | 650,000             | 650,000             | 935,000             |
| Total Expenditures                     | <b>722,753</b>      | <b>914,546</b>      | <b>650,000</b>    | <b>650,000</b>      | <b>650,000</b>      | <b>935,000</b>      |
| Transfers Out                          |                     |                     |                   |                     |                     |                     |
| <i>Transfers to General Fund</i>       | 106,000             | 106,000             | 106,000           | 106,000             | 106,000             | 106,000             |
| <i>Transfers to Equip Repalcement</i>  | -                   | -                   | -                 | -                   | -                   | -                   |
| Total Transfers Out                    | <b>106,000</b>      | <b>106,000</b>      | <b>106,000</b>    | <b>106,000</b>      | <b>106,000</b>      | <b>106,000</b>      |
| Total Expenditures & Transfers Out     | <b>828,753</b>      | <b>1,020,546</b>    | <b>756,000</b>    | <b>756,000</b>      | <b>756,000</b>      | <b>1,041,000</b>    |
| Ending Fund Balance                    |                     |                     |                   |                     |                     |                     |
| <i>Designated</i>                      | -                   | -                   | -                 | -                   | -                   | -                   |
| <i>Undesignated</i>                    | 359,469             | 73,264              | 193,300           | 271,860             | 268,090             | 60,380              |
| Total Ending Fund Balance              | 359,469             | 73,264              | 193,300           | 271,860             | 268,090             | 60,380              |
| <b>TOTAL USE OF FUNDS</b>              | <b>\$ 1,188,222</b> | <b>\$ 1,093,810</b> | <b>\$ 949,300</b> | <b>\$ 1,027,860</b> | <b>\$ 1,024,090</b> | <b>\$ 1,101,380</b> |

**∞ CAPITAL IMPROVEMENT PROGRAM ∞**  
**Gas Tax Fund**

**GAS TAX CIP PROJECTS**

|  | FY 2013/14         |                   |              |                   |                    |
|--|--------------------|-------------------|--------------|-------------------|--------------------|
|  | Est Exp            | Expenditures      | Estimated    | New               | Total              |
|  | Prior To           | During            | Carryforward | Funding           | Budgeted           |
|  | <u>FY 2012/13</u>  | <u>FY 2012/13</u> |              | <u>FY 2013/14</u> |                    |
| <i>Carryforward Projects</i>                 |                    |                   |              |                   |                    |
| St Repair & Resurfacing                      | 3,343,145          | 650,000           | -            | 935,000           | 4,928,145          |
| <b><i>Total of Carryforward Projects</i></b> | <b>\$3,343,145</b> | <b>\$ 650,000</b> | <b>\$ -</b>  | <b>\$ 935,000</b> | <b>\$4,928,145</b> |
| <b><i>Total of Gas Tax Projects</i></b>      | <b>\$3,343,145</b> | <b>\$ 650,000</b> | <b>\$ -</b>  | <b>\$ 935,000</b> | <b>\$4,928,145</b> |

**FY 2013/14 KEY PROJECTS**

The Gas Tax Fund has one carryforward project with remaining funding and additional appropriations:

- ***Street Repair and Resurfacing*** – The Town's Street Resurfacing Program of preventative and deferred maintenance includes both carryforward funds and new appropriations. The work to be performed consists of a balanced program of surface seals, street reconstructions and pavement overlays, with supplemental ongoing maintenance activities performed by the Town's Park and Public Works department staff.

*Operating Budget Impacts* - Engineering staff time for project design and oversight is incorporated into the operating budget workplan.